EXPLANATORY MEMORANDUM TO

THE EXCISE DUTIES (MISCELLANEOUS AMENDMENTS AND REVOCATIONS) (AMENDMENT) REGULATIONS 2025

2025 No. 127

1. Introduction

1.1 This explanatory memorandum has been prepared by His Majesty's Revenue & Customs (HMRC) and is laid before Parliament by Command of His Majesty.

1.2 This memorandum contains information for the Joint Committee on Statutory Instruments.

2. Declaration

2.1 James Murray MP, Exchequer Secretary to the Treasury confirms that this Explanatory Memorandum meets the required standard.

2.2 Andrew Higgins, Deputy Director for Excise and Environmental Taxes, at HMRC confirms that this Explanatory Memorandum meets the required standard.

3. Contact

3.1 Barry Jordan at HMRC Telephone: 03000 522306 or email: barry.jordan2@hmrc.gov.uk can be contacted with any queries regarding the instrument.

Part One: Explanation, and context, of the Instrument

4. Overview of the Instrument

What does the legislation do?

4.1 This instrument omits regulation 10 of the Excise (Miscellaneous Amendments and Revocations) Regulations 2024 ("the 2024 Regulations") prior to that regulation coming into force on 3 March 2025. In error, regulation 10 omits regulations 5 and 7 of the Excise Duties (Miscellaneous Amendments) (EU Exit) (No. 2) Regulations 2019. The consequence of this is that the amendments made by regulation 10 will not take effect.

4.2 This error was identified when the regulations were reviewed following their publication.

Where does the legislation extend to, and apply?

4.3 The extent of this instrument (that is, the jurisdiction(s) which the instrument forms part of the law of) is the United Kingdom.

4.4 The territorial application of this instrument (that is, where the instrument produces a practical effect) is in the United Kingdom.

5. Policy Context

What is being done and why?

5.1 Regulations 7 to 10 of the 2024 Regulations make consequential amendments to other secondary legislation. They are intended to remove redundant provisions from the statute book as a consequence of regulation 2 of those Regulations, which introduces amendments to the Warehousekeepers and Owners of Warehoused Goods Regulations 1999. Regulation 10 omitted regulations 5 and 7 of the Excise Duties (Miscellaneous Amendments) (EU Exit) (No. 2) Regulations 2019 ("the 2019 Regulations").

5.2 Regulation 7 of the 2019 Regulations deals with denatured alcohol and is not affected by the 2024 Regulations. Its inclusion was a straightforward error. Regulation 5 omitted a provision that omitted another provision. Although there may well have been no practical consequence, had it been repealed, it would have created uncertainty.

5.3 Because the amendments made by regulation 10 do not come into force until 3 March 2025, this instrument can omit regulation 10 and comply with the 21-day rule, and so there is no practical impact of the error.

What was the previous policy, how is this different?

5.4 There is no change to the policy implemented in the Excise (Miscellaneous Amendments and Revocations) Regulations 2024. Details of this policy change are contained in the associated Explanatory Memorandum available on the legislation.gov.uk website[1].

5.5 The 2024 Regulations were reviewed following their publication and the error in regulation 10 was identified.

6. Legislative and Legal Context

How has the law changed?

6.1 Regulation 10 of the Excise (Miscellaneous Amendments and Revocations) Regulations 2024 currently omits regulations 5 and 7 of the Excise Duties (Miscellaneous Amendments) (EU Exit) (No. 2) Regulations 2019. Regulation 10 is being omitted so that regulations 5 and 7 will not be affected.

6.2 Because the incorrect omissions would not have taken effect until 3 March 2025, it was possible to correct them without breaching the 21-day rule.

Why was this approach taken to change the law?

6.3 This instrument is correcting an error in regulation 10 of the Excise (Miscellaneous Amendments and Revocations) Regulations 2024. Correcting this error by omitting regulation 10 in this subsequent SI in compliance with the 21-day rule was felt to be the best way of correcting the error.

7. Consultation

Summary of consultation outcome and methodology

7.1 No consultation has taken place as this is correcting an error.

[1] Explanatory Memorandum for Excise (Miscellaneous Amendments and Revocations) Regulations 2024: https://www.legislation.gov.uk/uksi/2024/1262/memorandum/contents

8. Applicable Guidance

8.1 Guidance is not being made available for this correction, however HMRC provides guidance on the gov.uk website in relation to the wider policy this correction relates to.

Part Two: Impact and the Better Regulation Framework

9. Impact Assessment

9.1 A full Impact Assessment has not been prepared for this instrument because this is only correcting an error in the Excise (Miscellaneous Amendments and Revocations) Regulations 2024 which has already had an Impact Assessment published.

Impact on businesses, charities and voluntary bodies

9.2 There is no, or no significant, impact on business, charities or voluntary bodies because this is only correcting an error.

9.3 The legislation does not impact small or micro businesses.

9.4 There is no, or no significant, impact on the public sector because this is only correcting an error.

10. Monitoring and review

What is the approach to monitoring and reviewing this legislation?

10.1 There is no reason to monitor this SI, as it is amending the Excise (Miscellaneous Amendments and Revocations) Regulations 2024.

Part Three: Statements and Matters of Particular Interest to Parliament

11. Matters of special interest to Parliament

11.1 This instrument corrects errors in regulation 10 of S.I. 2024/1262. HMRC has consulted with the SI Registrar as to whether the free issue procedure is appropriate to remedy these defects and the Registrar has agreed that it is appropriate.

12. European Convention on Human Rights

12.1 As the instrument is subject to negative resolution procedure and does not amend primary legislation, no statement is required.

13. The Relevant European Union Acts

13.1 This instrument is not made under the European Union (Withdrawal) Act 2018, the European Union (Future Relationship) Act 2020 or the Retained EU Law (Revocation and Reform) Act 2023 (“relevant European Union Acts”).